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CASE STUDIES, READINGS AND MATERIALS

ON

PUBLIC POLICY FORMATION

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FIFTH DRAFT EDITION

CASE STUDIES, READINGS AND MATERIALS

ON

PUBLIC POLICY FORMATION

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Preface to the 1979 Edition

The 1978 casebook comprised five cases including one with respect to the Syncrude Project. We have concluded that the Syncrude situation was too narrow a set of facts under which to discuss the making of energy policy between 1973 and 1975, and therefore the materials have been broadened to include a paper which discusses the major events in oil and gas policy-making in those years with special reference to decisions on the pricing of those two commodities. This paper also discusses the taxation of oil and gas revenues and the security of their supply including the decisions of the National Energy Board on the supply-demand balance in Canada, the creation of Petro Canada in addition to the materials on Syncrude. The background Paper introducing the Syncrude question remains, but we have not included as much of the original documentation, nor of the commentaries on that project.

In addition to the new material on oil and gas, we have up-dated and revised the readings on the theory and institutions of public policy-making.

We are indebted to Ken McCarter, a graduate of the Faculty of Law who was largely responsible for updating the materials, and Carole McKeogh, a second year student at the Faculty of Law, who did the background research for the new papers on oil and gas policy.

Preface to the 1980 Edition

The 1980 edition of the casebook follows the basic structure of the 1979 edition. Most of the changes represent updating and editting of the related readings.

Preface to the 1981-82 Edition

While the 1981-82 edition of the casebook follows the basic structure of the previous editions, there are a number of significant changes. First, the introductory materials have been significantly shortened reflecting the addition to the required readings for the course of Trebilcock, Hartle, Prichard & Dewees, The Choice of Governing Instrument (Economic Council of Canada, forthcoming). Second, the Multi-lateral Trade Negotiations Case Study has been supplemented by documentation and related readings concerning internal barriers to trade within Canada. This addition reflects both the current policy prominence of this issue and its highly analogous relationship to the international control of non-tariff barriers to trade. Third, the energy-related case study has been expanded to include a mock cabinet document dealing with

the Ontario government's decision to purchase an equity position in Suncor. This addition reflects both the increasing extent of public ownership in the energy sector and the provincial perspective brought to the materials by Mr. Segal. Fourth, the Pipeline case study has been dropped from the materials and has been replaced by a new case study dealing with the renegotiation of the federal-provincial fiscal arrangements. This case study also includes a discussion of the provincial allocation process.

Preface to the 1982-83 Edition

Like the previous editions, the 1982-83 edition comprises five case studies and an Introductory section. The Choice of Governing Instrument is the major introductory reading. For this edition two of the case studies have been augmented to include current parallels. The A.I.B. case has been expanded to include the Federal 6/5 Programme and the Syncrude case has been supplemented to consider the bailouts of Dome, Chrysler and Maislin. Thus the energy-related case study of Syncrude and Suncor will focus on energy policy, bailouts and public ownership. The fifth and last case deals with issues in federal-provincial relations. It focuses on the allocation of fiscal and economic powers and the problems of regional development, equalization and economic union.

Preface to the 1978 Edition

(i) Introduction

This casebook was prepared between January and August, 1978. Donald Macdonald selected the case studies, wrote the five background documents and bore primary responsibility for assembling the background materials. Jack Millar and Robert Prichard selected and edited the related readings on the theory and institutions of public policy-making. The course outline and syllabus represent our joint efforts.

The casebook consists of two major types of materials: the cases and the related readings. The materials are divided into six parts. The first is an introductory set of readings on the nature of public policy-making and different approaches to its study. Each of the next five parts consists of a case study and related readings. It is intended that we will spend one week on the Introduction, two weeks on each of the first four cases and three weeks on the final case.

(ii) The Cases

The case studies in the order which they are presented are:

1. The Denison Case: The Uranium Ownership Legislation, March, 1970.
2. The Inflation Outlook, September, 1975.
3. The Multilateral Trade Negotiations, September, 1977.
4. The Syncrude Project, January, 1975.
5. The Northern Pipeline Decision, August, 1977.

The cases were chosen from among many government decisions on the basis that they are current, significant and familiar. They are current not only in the sense that they refer to decisions which have been taken within the past decade but on all of them there has been, or there will be, an outcome during the current calendar year. They are significant in the sense that they all involve either a major expenditure by the government of Canada, or a major policy decision which is either unprecedented in relation to past experience or may have continuing significance for the future. They are familiar, to the author at least, because he was a central actor at some point during the policy-making.

The cases do not pretend to present a comprehensive analysis of policy-making. There are many questions in the federal political process in Canada which might be raised but are not posed by these particular cases, but they do deal with government acting in a variety of theatres with a variety of purposes.

Each case is made up of a Background Document, and of original documents: the whole or parts of press releases, discussion papers, legislation or contracts dated both before and after the moment of policy decision. The Background Document is intended to supply some of the basic facts, and also to pose some of the questions which would face a policy-maker at that particular time. The Background Document is written as of the moment of the decision rather than as of the present day. In form it resembles a Cabinet document but these are not the Cabinet documents that were used in the particular cases. On many of the issues it is very likely that Cabinet had more than one document before it, that it met to consider various elements of the questions over a period of time and that the ultimate decision was an evolution from a number of discussions rather than a response to a single document. The Background Document telescopes the time-frame so as to put the main decision at a single point in time. They are anachronistic in that concerns, discussions or events, which with hindsight no longer seem relevant, have been winnowed out.

Some of the Background Documents crystalise conclusions and others pose a series of questions. What is missing from them that would normally be found in a Cabinet document is the "Recommendations" section in which the minister responsible would normally tender to his colleagues his advice on how the problem should be resolved.

As to original documents, all of these are in the public area, although with the passage of time some of them are not easily found. In the interest of space some of them, like Statutes and the Reports of Tribunals, have been excerpted and resort would have to be had to the full text to have full precision on any detailed question.

(iii) Related Readings

The selected readings are designed to describe and analyze the structure of policy-making in Canada at the federal level and to highlight alternative approaches to the study of public policy. The readings are drawn primarily from the political science literature but with more limited selections from public administration, economics and law. While the essential readings have been reproduced in the casebook, the syllabus is intended as an introduction to the depth of academic work in this area.

The sequence of the readings has been determined in large part by the issues raised in the case studies. For each case study we have identified the relevant institutions and certain related issues and have sought to select readings illustrative of the institutions and issues.